

## **The complaint**

Mrs V complains about the service she received from Clydesdale Bank Plc trading as Virgin Money ("Virgin") when opening a new ISA. In particular she is unhappy that it had her surname recorded incorrectly in its systems causing administrative errors and delays.

## **What happened**

Despite holding other accounts with Virgin Mrs V had trouble opening a new ISA with it. Mrs V raised a complaint with Virgin about this. Due to a technical issue on Virgin's part Mrs V's surname had been recorded in its system incorrectly – entering her surname as a middle name - resulting in her receiving an error message when attempting to open her ISA online and not being able to continue with the application.

Virgin accepted there had been an error in the recording of Mrs V's name and compensated her £550 (£300 in two payments for this complaint and £250 for another similar complaint in relation to this) for the distress and inconvenience caused and backdated her ISAs to when Mrs V first wanted to open the accounts and the accounts were funded on 10 May 2024.

Mrs V doesn't think this is enough. Mrs V wants to be compensated £1,000 to cover the costs incurred, inconvenience, distress, unnecessary delays and poor service and for her time spent raising and pursuing her complaint.

And so Mrs V brought her complaint to this service.

One of our investigators looked into Mrs V's concerns and reached the conclusion that the compensation Virgin had offered was fair for the distress and inconvenience suffered as they hadn't seen that Mrs V suffered any long-term financial loss due to the error. And as Virgin had agreed to backdate interest to when the accounts were opened – putting Mrs V in the position she'd be in as if there weren't any mistakes – they didn't think any more compensation was due.

Mrs V disagreed she doesn't believe the compensation paid is enough and wants the interest on her ISA paid now. Mrs V has asked for an ombudsman's decision.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I hope that Mrs V won't take it as a discourtesy that I've condensed her complaint in the way that I have. Both parties are aware of the facts and I don't see the merit in repeating them in detail. And as ours is an informal dispute resolution service, I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that. And the crux of Mrs V's complaint is that Virgin had her name recorded incorrectly in its systems resulting in administrative errors and delays in opening her ISAs.

My role is to look at problems that Mrs V has experienced and see if Virgin has made a

mistake or treated her unfairly. If it has, we seek to put - if possible - Mrs V back in the position she would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

Virgin have already accepted it made an error in the recording of the spelling of her name when she applied for ISAs with it in May 2024. This resulted in delays in opening Mrs V ISAs and other administrative errors.

So I don't need to make a finding here. What I need to do is consider whether what Virgin has offered Mrs V to put things right is enough. Virgin have now fixed this and Mrs V's name has now been recorded correctly. Furthermore, Virgin have backdated the accounts to 10 May 2024 to when they were first opened and interest will be earned and accruing from that point on and credited to her account in accordance with this. So I consider Virgin have placed Mrs V in the position she'd be in if the mistakes hadn't happened.

So all I have to decide is whether the compensation of £550 in total Virgin have paid on top of this is enough for the distress and inconvenience this caused.

Mrs V doesn't think this compensation is enough to cover the costs incurred, inconvenience, distress and unnecessary delays.

I do agree Mrs V has been inconvenienced by this error and as a result the opening of her ISAs were delayed and even after Virgin said it had corrected the error she continued to receive letters with her surname misspelt leaving Mrs V dismayed that the issue hadn't been fixed and anxious about when the problem would be resolved.

I've considered carefully the impact this has had on Mrs V and I note that Mrs V hasn't suffered any financial loss due to Virgin's error. And as our investigator has already explained the errors and delays only affected her savings accounts and as such the impact wouldn't have been as significant as if it had been a current account where access to money was essential. Indeed, the point of a savings account is for the funds within it to be left alone and grow.

And although I appreciate Mrs V has been inconvenienced having to raise and pursue complaints against Virgin for the issues she's had, this is not something this service would consider compensation for. Furthermore, my role isn't to punish or penalise businesses for their performance or behaviour – that's the role of the regulator.

And so with this in mind I do think the £550 compensation in total is fair for the distress and inconvenience Mrs V has suffered as a result of Virgin's error. And so it follows that I think what Virgin has already done to put things right for Mrs V is fair and I'm not going to ask it do anything more.

**My final decision**

For the reasons I've explained, I've decided that what Clydesdale Bank Plc has already done to settle Mrs V's complaint is fair and I'm not going to ask it do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs V to accept or reject my decision before 25 March 2025.

Caroline Davies  
**Ombudsman**